GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1266
ANSWERED ON:24.07.2017
FDI in Food Processing Industries
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government proposes to allow 100 per cent Foreign Direct Investment (FDI) in food processing industries and food retail markets in the country;

(b) if so, the details thereof including the total FDI made therein during each of the last three years, company-wise;

(c) whether this decision is likely to benefit many foreign companies which are operating in retail market of the country at present; and

(d) if so, the details thereof, company-wise?

Answer

???????? ??? ?????? ???????????? (????????? ??????)(??????? ??????? ???????)
THE MINISTER OF STATE (INDEPENDENT CHARGE)
OF THE MINISTRY OF COMMERCE & INDUSTRY
(SHRIMATI NIRMALA SITHARAMAN)

(a): As per extant Policy, FDI up to 100%, under the automatic route, is allowed in food processing industries. Further, 100% FDI under Government route for retail trading, including through e-commerce, is permitted in respect of food products manufactured and/or produced in India.

(b): Data on foreign investment in India is maintained remittance wise, which is very voluminous and is available in public domain at the website of Department of Industrial Policy & Promotion at www.dipp.nic.in under the heading `Publication' at 'SIA Newsletter'. However, the statement on financial year wise FDI equity inflows from April 2014 to May 2017 in food products sector and food processing industries, as maintained is as under

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Food Products

Sl No Year FDIin US$ million
1 2014-15
Apr-Mar 342.50
2 2015-16 434.92
3 2016-17 562.40
4 2017-18
Apr-May 182.40
Grand Total 1,522.23

Food Processing Industries

Sl No Year (Apr-March) FDI in US$ million
1 2014-15 515.86
2 2015-16 505.88
3 2016-17 727.22
4 2017-18
Apr-May 187.90
Grand Total 1,936.86
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(c) &(d): The Government reviews FDI policy on an ongoing basis with a view to liberalise and simplify the FDI policy so as to provide ease of doing business in the country leading to larger FDI inflows. However, no such estimation/ assessment are possible, as FDI is largely a matter of private business decisions.

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